

REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, December 12, 2011

CALL TO ORDER. Following due call and notice thereof, Mayor Burns called the meeting to order at 6:00 p.m. in the Council Room, City Hall.

ROLL CALL. Members present: Mayor Robert H. Burns; Council Members: Randi Vick, Tom Murphy, Bob Lemke, and Paul Fisch. Members absent: None. Consultants and City staff present: City Clerk/Administrator Jennifer Feely, Administrative Coordinator Mike Gerardy, Accountant Stephanie Mann, and City Attorney Tim Murphy. Visitors present: Jim Hoscheit, John Klug, Gary Kruckow, Diane Opsahl, Steve Bauer, Al Meyer, Joe Wiebke, and Caledonia Argus Reporter Charlie Warner.

AGENDA APPROVAL. A motion was made by Member Vick, seconded by Member Murphy, to approve the agenda. All members present voted in favor and the motion was declared carried.

CONSENT AGENDA. A motion was made by Mayor Burns, seconded by Member Lemke, to approve the consent agenda. All members present voted in favor and the motion was declared carried.

A. MINUTES OF PAST MEETINGS. To approve the minutes of the Regular Meeting held Monday, November 28, 2011 and the minutes of the Special Meeting held on December 7, 2011, as presented.

B. APPLICATION FOR EXEMPT PERMIT: CALEDONIA ROD AND GUN CLUB. To approve an application for an exempt permit for the Caledonia Rod and Gun Club at the Caledonia Auditorium on February 18, 2012.

C. APPLICATION FOR TEMPORARY ON-SALE 3.2 MALT LIQUOR LICENSE AND SOFT DRINK LICENSE: CALEDONIA FOUNDERS, INC. To approve an application for a temporary on-sale 3.2 malt liquor license and soft drink license for Caledonia Founders, Inc. at St. Mary's School on January 27, 2012.

D. APPLICATION FOR LG214 PREMISES PERMIT APPLICATION: CAMP WINNEBAGO. To approve an application for a LG214 Premises Permit for Camp Winnebago at The Ranch.

VISITORS AND COMMUNICATIONS.

A. PUBLIC HEARING: MIKEN SPORTS TAX ABATEMENT. A public hearing was held at 6:05 p.m. for the purpose of considering and granting an abatement of the City's share of property taxes on the proposed Miken Sports expansion estimated to cost approximately \$650,000. It was noted that the total estimated amount of the abatement from the City was \$4,254 annually, for a period of ten (10) years, with no cap. Hearing no comments or concerns from the public, the hearing was closed at 6:13 p.m. A motion was made by Member Lemke, seconded by Member Murphy, to approve the Miken Sports tax abatement at approximately \$4,254 annually, for a period of 10 years, with no cap. All members present voted in favor and the motion was declared carried.

B. TRUTH-IN-TAXATION HEARING: 2012 TAX LEVY. A public hearing was held at 6:15 p.m. for the purpose of discussing the budget and property tax levy before a final determination was made and to allow for public input. Mayor Burns noted that the City Council was proposing a tax levy totaling \$686,518, which equated to a 3% increase over the 2011 levy. John Klug, Caledonia resident and taxpayer, was present to discuss the proposed budget and tax levy with the Council. Hearing no further comments or questions from the public, the public hearing was closed at 6:53 p.m.

C. REVISIT MIKE CONNOR UTILITY MATTER. City Clerk/Administrator Feely shared that attached with the agenda was a printout of the water and sewer utility bill history for the property located at 324 West Main Street. It was noted that the owner of the property, Mike Connor, was present at the November 28, 2011 City Council meeting for the purpose of requesting the Council's consideration in waiving the sewer charges. Administrative Coordinator Mike Gerardy stated that he and Water/Wastewater Supervisor Tony Klug met Mr. Connor at 324 West Main Street following the November 28, 2011 City Council meeting. Gerardy noted that according to the City's meter reader, there was no water running when the final read was taken. Discussion ensued. The consensus of the Council is that the bill should be paid as the meter had not been successfully read in three (3) years, which made it difficult to determine the exact water usage each quarter. Next, discussion ensued regarding the diseased tree that was removed from 324 West Main Street. The consensus of the Council is that the tree in question was removed as per the recommendation of City staff. City Clerk/Administrator Feely was directed to send a letter to Mr. Connor regarding the aforementioned utility and tree matters.

D. REVISIT WEST MAIN TOWNHOMES UTILITY MATTER. City Attorney Tim Murphy was present to answer any questions concerning the West Main Townhomes utility matter. It was noted for the record that West Main Townhomes did not have a representative present at the meeting. City Attorney Murphy will draft a letter to send to West Main Townhomes. No action was taken on the matter.

E. PRESSURE SEWER OPTIONS FOR PROPERTIES LOCATED SOUTHWEST OF TH44. It was reviewed that discussion took place at the November 28, 2011 City Council meeting regarding sewer options available for the properties located along the southwest side of TH44. It was further noted that the consensus of the Council at that time was to obtain a revised cost estimate from Davy Engineering, and then revisit at the December 12 City Council meeting.

The following cost summary, comparing two options for providing pressure sewer service across TH44 to the southwest part of Caledonia, was reviewed:

Bonanza Grain

Pressure sewer extension from Bonanza Grain's two parcels to existing sewer in Marilouis Court. Single grinder pump (two recommended) furnished by this project for installation by Bonanza Grain. The total estimated cost of the City extension is \$41,530.00, including the grinder pump. Bonanza Grain would be responsible for installing the grinder pump, providing electric service, abandoning their septic tank, extending gravity sewer to the grinder pump and extending a 1-1/4" HDPE pressure lateral to the main at the right of way (ROW) line. The cost for the work on private property will vary depending on conditions but is estimated to range from \$1,500 to \$3,000. If the City would choose to finance the \$41,530 capital cost at 4.0% for 20 years, the annual cost would be \$3,060.00. Bonanza Grain requests a Developer's Agreement specifying reimbursement if others connect in the future.

All Existing Users

Pressure sewer extension from seven existing users (Opsahl, Bonanza Grain (2), Kraus, Wiebke, Meyer, Caledonia Lumber) to existing sewer in Marilouis Ct. Grinder pumps would be furnished for installation by the user. The total estimated cost of the City extension is \$112,250.00, including the grinder pumps. This amounts to \$16,700 per REU. Users would be responsible for installing the grinder pump, providing electric service, abandoning their septic tank, extending gravity sewer to the grinder pump and extending a 1-1/4" HDPE pressure lateral to the main at the right of way (ROW) line. The cost for work on private property will vary depending on conditions but is estimated to range from \$1,500 to \$3,000. If the City would choose to finance the \$112,500.00 capital cost at 4.0% for 20 years, the annual cost would be \$1,230 per REU.

Bonanza Grain Pressure Sewer

City Sewer Extension \$37,030.00

	<u>REU</u>	<u>Pressure Sewer</u>	<u>Furnish Grinders</u>	<u>Total</u>	<u>4.0%, 20 Years</u>
Bonanza Grain	1	\$37,030.00	\$4,500.00	\$41,530.00	\$3,060.00 plus lateral
Total	1	\$37,030.00	\$4,500.00	\$41,530.00	\$3,060

Pressure Sewer

City Sewer Extension \$82,250.00

	<u>REU</u>	<u>Limited Pressure Sewer</u>	<u>Furnish Grinders</u>	<u>Total</u>	<u>4.0%, 20 Years,</u> <u>Plus Lateral</u>
Opsahl	1	\$12,178.57	\$4,500.00	\$16,678.57	\$1,230.00
Bonanza Grain	1	\$24,537.14	\$4,500.00	\$28,857.14	\$1,230.00
Kraus	1	\$12,178.57	\$4,500.00	\$16,678.57	\$1,230.00
Wiebke	1	\$12,178.57	\$4,500.00	\$16,678.57	\$1,230.00
Meyer	1	\$12,178.57	\$4,500.00	\$16,678.57	\$1,230.00
Caledonia Lumber	1	\$12,178.57	\$4,500.00	\$16,678.57	\$1,230.00

It was noted for the record that the following property owners located along the southwest side of TH44 were present for the discussion concerning this matter: Diane Opsahl, Al Meyer, Gary Kruckow, Steve Bauer, and Joe Wiebke. Of those present, Gary Kruckow with Bonanza Grain was the only property owner in favor of moving forward with the pressure sewer system option. It was noted that the City recommended that all property owners should connect now as they will likely need to address sewer problems in the near future and that the cost would likely increase as time goes on. Mr. Meyer stated that he is opposed to the pressure sewer option, however, he would entertain gravity sewer so long as the City provides the water infrastructure and puts in water hydrants. Mr. Bauer stated that he is currently out of compliance at the present time, however, he plans to put in another septic tank. Ms. Opsahl stated she is not interested in the pressure sewer option due to the cost. Mr. Kruckow stated that he should be exempted from connecting to a gravity sewer system, in the event that such a system would be installed within the next twenty (20) years, and that a developer's agreement be established to deal with properties that may wish to connect to the pressure sewer system within the next twenty (20) years. Discussion ensued. The consensus of the Council was to move forward with installing the grinder pump pressure sewer system for Bonanza Grain and have the City Attorney draft a Developer's Agreement in which any properties that choose to connect within twenty (20) years from its installation must reimburse Bonanza Grain on a pro-rated basis. A motion was made by Mayor Burns, seconded by Member Fisch, that the City agrees to install a grinder pump pressure sewer system for Bonanza Grain and assess the cost to do so over a period not to exceed twenty

(20) years at 4.0%, with a Developer's Agreement stating that anyone who connects to the pressure sewer system within twenty (20) years of the installation would be required to reimburse Bonanza Grain on a pro-rated basis. All members present voted in favor and the motion was declared carried.

F. POLICE CHIEF WAGE AND CLOTHING ALLOWANCE REQUEST. City Clerk/Administrator Feely shared that attached with the agenda was a wage increase and clothing allowance request from Police Chief Kurt Zehnder, which was received on December 8, 2011. It was noted that Zehnder was requesting that per his offer of employment, a copy of which was attached with the agenda, that he receive a 3% pay increase, retroactive to his one year anniversary date, which was July 19, 2010. In addition, it was noted that Zehnder was requesting that he receive a clothing allowance identical to that of what the Caledonia Police Association receives. Discussion ensued. A motion was made by Member Murphy to comply with the terms of the offer of employment and grant the 3% increase retroactive to Chief Zehnder's one year anniversary so long as Zehnder's wage returns to \$25.50 per hour as of January 1, 2012 until performance improves, and grant a \$650.00 per year clothing allowance. The motion failed for a lack of a second. A motion was made by Member Fisch, seconded by Member Lemke, to grant a 3% pay increase, retroactive to July 19, 2010, pursuant to the terms of the offer of employment. All members present voted in favor and the motion was declared carried. A motion was made by Mayor Burns, seconded by Member Vick, to approve granting a clothing allowance identical to that of what the Police Association receives. Member Fisch stated that there has to be a need to purchase new or replacement items. All members present voted in favor and the motion was declared carried.

G. DINNER THEATER REQUEST: CAMP WINNEBAGO. Elsie Vesterse was present on behalf of Camp Winnebago regarding renting the City auditorium for the purpose of holding a dinner theater the first weekend in May of 2012. Vesterse stated that practices will run one (1) to two (2) times per week for the duration of February, March, and April. Vesterse proposed paying a flat fee of \$500.00 since the stage would be the only part of the auditorium used for practices. In addition, Vesterse noted that the dinner theater practices would be coordinated when other activities were scheduled to take place in the auditorium so as to avoid turning on the heat and lights when otherwise not in use. Discussion ensued. A motion was made by Mayor Burns, seconded by Member Lemke, to charge a flat fee of \$500.00 for rehearsals and use of the auditorium kitchen for the actual dinner theater event. All members present voted in favor and the motion was declared carried.

H. ALTERNATE SIDE PARKING DISCUSSION: POLICE CHIEF KURT ZEHNDER. Police Chief Kurt Zehnder was present to discuss alternate side parking with the City Council. Chief Zehnder provided the following background on alternate side parking citations issued to date: Officer Tim Irwin issued fifteen (15) warning tickets on November 6, 2011, while Officer Chad Heuser issued thirty six (36) citations on November 24 and one (1) citation on November 25. Chief Zehnder offered the following ideas to address alternate side parking issues:

- (1) Do not start the alternate side parking until there is consistent snow fall in the forecast or snow on the ground.
- (2) Issue warnings for the month of November unless there is an early snow fall that stays around.
- (3) The City can adopt a new ordinance changing the alternate side parking to emergency snow removal. This would be advertised and reminders would be issued.

(4) The City could go to a winter parking ordinance stating that only one side of the road could be parked on. For example, at night, individuals could park on the even side of the road, while during the day, individuals could park on the odd side of the road.

(5) Leave the ordinance as is.

Discussion ensued. The consensus of the Council was to issue warnings unless there is a snow emergency during holidays. No official action was taken.

I. DISCUSS PURCHASE OF A NEW AMBULANCE AND AMBULANCE CONTRACT: AMBULANCE DIRECTOR MIKE TORNSTROM. It was noted that Ambulance Director Mike Tornstrom was not able to attend the meeting as originally planned due to his work schedule. Discussion ensued regarding the cost of a new ambulance and the trade in value of the 2000 E350 ambulance.

Ambulance Description

2010 E450 Diesel

2011 Road Rescue Ultramedic with freight, graphics, NCEMSC advantage, and Ford GPC \$135,652

2000 E350 Trade In with 69,000 miles -\$16,000

Grand Total \$119,652

A motion was made by Mayor Burns, seconded by Member Fisch, to purchase a new ambulance from Everest Emergency Vehicles, Inc. totaling \$119,652, and decide exactly how to finance the purchase when purchased on delivery sometime in June or July of 2012. All members present voted in favor and the motion was declared carried. Discussion then ensued regarding the \$7.50 per capita charge as per the ambulance city/town subsidy agreement. The consensus of the Council was to leave the per capita charge at \$7.50 for the present time. A motion was then made by Mayor Burns, seconded by Member Fisch, to change the ambulance fund from a general fund account to a special revenue account, beginning January 1, 2012, subject to the approval of the auditor, and contingent upon allocating staff time, and how it will affect 2012 revenues. All members present voted in favor and the motion was declared carried.

J. ADMINISTRATIVE COORDINATOR TOPICS.

1. PEDESTRIAN CROSSING FOLLOW-UP. Administrative Coordinator Gerardy shared that the City can put in a separate pedestrian crossing with button at a cost of approximately \$1,600.00 per pole, light and button. Gerardy noted that the lights will be activated by a console located at the intersection adjacent to Dairy Queen. No official action was taken.

K. COMMUNICATIONS.

1. LETTER FROM INSURANCE AGENT. Attached with the agenda was a letter from the City's Insurance Agent regarding insurance coverage changes and rates for 2012.

2. LETTER FROM LEAGUE OF MINNESOTA CITIES INSURANCE TRUST (LMCIT). Attached with the agenda was a letter from LMCIT regarding 2011-12 coverage changes, rates, and dividends.

CLAIMS

A. PREPAID CLAIMS. Following review, discussion and deliberation, a motion was made by Mayor Burns, seconded by Member Lemke, to approve the Prepaid Claims List for November 2011. All members present voted in favor and the motion was declared carried.

Bellboy Corporation	Liquor Store Inventory	255.02
Border States Electric	Tool Repair	556.82
Bound Tree Medical	Misc. Supplies	322.18
Buttell's Lighting	Bulbs, Ballasts	399.87
Caledonia True Value	Light – Misc.	91.61
Communications Service Inc.	Ambulance – Pager Cases	128.25
Dakota Supply Group	Light – Inventory	2,028.49
David Drown Associates	TIF Consulting Services	3,000.00
First Supply	Water – Repair Parts	817.99
Jack Neumann Trucking	Freight Expense	30.00
Meyer Brothers	Curb/Gutter	5,808.00
Morton Salt, Inc.	Winter Salt	1,565.71
Northern Beverage Distribution	Liquor Store Inventory	3,444.75
Resco	Light – Inventory	191.93
Schott Distributing Co, Inc.	Liquor Store Inventory	2,853.70
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	107.40
Tornstrom, Michael	Reimbursement Conference Expenses	183.86
Wirtz Beverage Minnesota	Liquor Store Inventory	663.01
Chamber of Commerce	2012 Contribution for Tourism	175.00
Geske, Dave	Arboviral Control	1,995.00
Goetzinger, Patricia	Reimbursement – Training Reg. Fee	25.00
Midwest Tape	DVD's	72.32
Schott Distributing Co., Inc.	Liquor Store Inventory	4,795.95
Secretary of State	UCC Fin Amend/Cont Filing	20.00
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	55.80
Winona Controls, Inc.	Boiler Repairs & Compressor Repair	464.56
Baker & Taylor Books	Library Books	71.07
E O Johnson Company	Clerk's Office – Copier	445.03
Emergency Apparatus Maint.	Engine 1410 Maintenance	2,429.38
Principal Life	Life/Ad&d/STD	560.04
G & F Distributing	Liquor Store Inventory	463.10
Gerardy Michael F.	2011 Uniform Allowance	125.00
Hanson Tire Service	Street Equipment – Tires	235.87
Jack Neumann Trucking	Liquor – Freight Expense	144.00
Johnson Brothers Liquor Co.	Liquor Store Inventory	3,939.00
Phillips Wine & Spirits	Liquor Store Inventory	1,286.22
Positive Promotions Inc.	EMS Promotional Materials	257.95
Caledonia Oil Company	Unleaded	1,806.75
Felten, Susan	Reimbursement – Registration Fee's	75.00
Page, Wolfberg & Wirth	Ambulance – DVD's for training	374.00
Sam's Club	Council – Parade Candy	64.69
Business Financial Planning	Cafeteria Plan	396.91
Hale Skemp Hanson Skemp	Case No. 11-CV-67-A	321.01
ING Institutional Plan Services	TSA Payday 11-29-11	580.00

Merchants Bank	Federal/FICA/Medicare	6,715.09
Buttell's Lighting	Street Lighting – Bulbs	346.27
Commissioner of Revenue	State Withholding	1,414.93
Gavin, Mike	Animal Control	75.00
Houston Co. Treasurer	Ho. Co. Collection Site	3,342.50
Jandt, David	Tree Removal – City Share	136.50
Kraus Oil Co, Inc.	Diesel	1,987.50
Northern Beverage Distribution	Liquor Store Inventory	2,267.10
Public Emp. Retirement Assn.	PERA Payday 11-29-11	5,766.79
Schott Distributing Co, Inc.	Liquor Store Inventory	1,859.71
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	55.00
Ace Link Telecommunications	Communication Expense	1,110.38
MN Dept. of Revenue	Sales / Use Tax	15,511.00
Richard's Sanitation	Recycling Collections	6,041.60
Topline Advertising Inc.	Refund Zoning Application Fee	50.00
VISA	Phone Minutes, Receipt Paper	99.16
Caledonia Conv. & Tourism	Tourism	1,340.18
Commissioner of Revenue	State Withholding	209.90
Merchants Bank	Federal/FICA/Medicare	1,225.82
Public Emp. Retirement Assn.	PERA Payday 12-2-11	724.50
United Parcel Service	Ups Fee	39.30
US Bank NA	GO Sewer Revenue Refunding Bond	61,731.25
Commissioner of Revenue	State Withholding	534.55
Merchants Bank	Federal/FICA/Medicare	5,630.37
Com-Tec Land Mobile Radio	Install Radio's	19,582.50
G & F Distributing	Liquor Store Inventory	239.35
Jack Neumann Trucking	Liquor – Freight Expense	80.00
Johnson Brothers Liquor Co.	Liquor Store Inventory	1,075.80
Philips Wine & Spirits	Liquor Store Inventory	1,746.29
Public Emp. Retirement Assn.	PERA Payday 12-6-11	2,808.21
Schott Distributing Co, Inc.	Liquor Store Inventory	4,048.60
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	84.25
Tri-State Ambulance	Intercept Fee	250.00
Verizon Wireless	Communication Expense	205.91
Affordable Technology Sol.	Office Supplies, PD Computer	1,642.47
Becker & Stemper Electric	Electric Service – Caledonia Care & Rehab	5,825.00
Blue Cross Blue Shield	Health Insurance	29,620.00
Brown, Lorraine	Refund Duplicate Payment	110.84
MN Energy Resources	Natural Gas	4,524.01
Northern Beverage Distribution	Liquor Store Inventory	3,090.50
QuarterMaster	PD – Uniform Allowance	91.98
Schott Distributing Co.	Liquor Store Inventory	2,654.45
Southern Wine & Spirits	Liquor Store Inventory	232.66
		<hr/>
		\$ 244,592.58

B. CLAIMS PAYABLE. Following review, discussion and deliberation, a motion was made by Member Fisch, seconded by Member Lemke, to approve the Payable Claims List for November 2011. All members present voted in favor and the motion was declared carried.

Airgas North Central	Ambulance – Parade Candy	60.57
Amaril Uniform Company	Light – Safety Uniforms	522.48
Artic Glacier Inc.	ICE	65.34
Baker & Taylor Books	Library Books	710.35
Bonanza Grain, Inc.	Crushed Rock Woodside Lane	378.34
Caledonia Implement Co.	Repair Parts	458.84
Caledonia Lumber Co, Inc.	Misc. Repair Materials	39.02
Caledonia Oil Company	Headlight Parts, Gas	36.03
Caledonia Police Reserves	Labor	279.00
Carquest Auto Parts Store	Generator Batteries	225.24
City of Caledonia Utilities	Electric, Water & Sewer	9,634.25
Com-Tec Land Mobile Radio	Radio Install	1,100.00
Crystal Canyon	Drinking Water	19.15
Curt & Candy's Hardware Hank	Miscellaneous Items	116.35
D S Electric Supply	Misc. Repair Supplies, Inventory	332.18
Dahl Automotive	Light - '08 F350 Radiator Repair	1,546.46
Dakota Supply Group	Inventory	4,243.77
Dalco	Air Fresh/Hand Soap	145.80
Davy Engineering	Rehab A-Design, Engineering Fees	1,415.39
Davy Laboratories	Lab	1,667.40
ECM Publishers, Inc.	Advertisements	483.04
Fastenal Company	Misc, Parts	224.84
Fire Safety USA, Inc.	Uniforms – FD	146.55
Gopher State One-Call	Location Notifications	31.90
Green Power Equipment	Repair Parts/Maintenance	57.93
H & L Mesabi	Plow Blades	1,354.45
Hoskins Electric Co.	Well #7 Repairs	411.57
Interstate Roofing	Roof Repair	306.92
Ken's Small Engine	Tower 50 Repairs, Equipment Repairs	257.09
Kwik Trip Stores	Gas	48.61
Mac Queen Equipment Inc.	Sweeper Parts	299.02
Martha Stewart Living	12 Issue Subscription	19.95
Metro Sales, Inc.	PD Copier Agreement	56.45
Midwest Tape	Library DVD's	237.04
Minnesota Dept of Commerce	3 rd Quarter Fiscal Year	428.45
MN Department of Health	Water Service Connection Fee	1,809.00
Mississippi Welders Supply Co.	Oxygen	13.47
O'Grady Publishing Company	Book the Rookie	18.00
Richard's Sanitation	Refuse Disposal	270.13
Rippe, Hammell & Murphy	General Matters, Prosecution Matters	3,336.00
Ronco Engineering Sales, Inc.	Repair Part	36.88
Schilling Supply Company	Copy Paper, Towels, Beer Cups, Bags	386.87
SE Libraries Cooperating	Auto Fees	654.42
Teledyne ISCO, Inc.	Repair Parts	146.60
Tri-County Electric Co-op	Electric Energy	159,909.37
United Auto Supply Inc.	Parts	350.41
Wiebke Tire	Tire Repair, #06 Tire Mount	52.50

OLD BUSINESS.

A. TRI-COUNTY CAPITAL CREDIT CONTRIBUTION – OPERATING TRANSFER FROM LIGHT FUND TO GENERAL FUND. City Clerk/Administrator Feely shared that discussion took place at the November 28, 2011 City Council meeting regarding whether the Tri-County Capital Credit Contribution could be deposited into the City's general fund in an effort to help offset general fund expenses. Feely stated that as per her inquiry to the City's auditors, the capital contribution check should be deposited into the light fund as the credit is related to light fund payments and customers. However, the auditors noted that an operating transfer could take place between the light fund and the general fund in which the 2011 capital credits amount would be transferred to the general fund. A motion was made by Member Fisch, seconded by Member Vick, to do a permanent operating transfer from the light fund to the general fund in the amount of \$23,949.74. All members present voted in favor and the motion was declared carried.

NEW BUSINESS.

A. MAYORAL PROCLAMATION. City Clerk/Administrator Feely shared that attached with the agenda was a Mayoral Proclamation for the 2011 Caledonia Varsity Football Champions. A motion was made by Mayor Burns, seconded by Member Lemke, to designate the week of December 19 through December 24 for the 2011 Caledonia Varsity Football Class 2A State football champions and encourage businesses, schools, churches, civic organizations and residents to acknowledge these fine young men and coaches throughout the week to thank them for a job well done. All members present voted in favor and the motion was declared carried.

B. APPROVAL OF CITY'S COST SHARE PORTION OF EMS GRANT. City Clerk/Administrator Feely shared that attached with the agenda was information from Ambulance Director Mike Tornstrom requesting the City Council's permission to cost share 20% of a \$2,000 grant obtained from Southeastern Minnesota Emergency Medical Services (SE EMS). It was noted that the grant paid for a new HD large screen TV and touch screen devices for the ambulances. A motion was made by Member Fisch, seconded by Mayor Burns, to approve the 20%, or \$400.00, cost-share portion, using general fund monies. All members present voted in favor and the motion was declared carried.

C. CERTIFICATION OF 2012 TAX LEVY. City Clerk/Administrator Feely shared that attached with the agenda was a resolution adopting the 2011 final tax levy to be collected in 2012. Discussion ensued. A motion was made by Mayor Burns, seconded by Member Vick, to approve Resolution 22-2011, adopting a tax levy of \$686,518, which totaled 3% increase over the 2011 tax levy. Voting in Favor: Burns, Vick, Fisch, Lemke, and Murphy. Voting Against: None. The motion was declared carried.

D. COST ESTIMATE FOR CSAH 5 PROJECT. City Clerk/Administrator Feely shared that attached with the agenda was a revised Winnebago Street Storm Sewer Construction Cost Estimate. Mayor Burns recommended that the matter go to committee for review and discussion before any action is taken.

E. CITY OF CALEDONIA INTERNET ADDRESS RENEWAL. City Clerk/Administrator Feely shared that attached with the agenda was a renewal notice for renewing the City's web addresses. A motion was made by Mayor Burns, seconded by Member Murphy, to pay the fees associated with renewing the various City web addresses. All members present voted in favor and the motion was declared carried.

F. FLEXIBLE SPENDING ACCOUNT ELIGIBILITY REQUIREMENTS. City Clerk/Administrator Feely shared that employees are currently eligible to elect participation in the City of Caledonia's Flexible Spending Account (FSA) Plan with Business Financial Planning (BFP) so long as the employee works fourteen (14) hours per week and has been employed at least one (1) day. Discussion ensued. A motion was made by Member Fisch, seconded by Member Murphy, to amend the City's plan document to read that employees are eligible for participation in the City's FSA plan so long as they work forty (40) hours per week and have been employed by the City for at least thirty (30) days, the same as is required for participation in the City's health insurance plan. All members present voted in favor and the motion was declared carried.

G. 2012 Liquor/Tobacco Renewal Licenses. A motion was made by Member Fisch, seconded by Member Vick, to approve liquor and tobacco license renewal applications for the following establishments, contingent upon applicants submitting the necessary paperwork, fees, and proof of liquor liability insurance:

Liquor License Renewals

The Ranch	\$1,500 – On-Sale; \$100 – Sunday Liquor
Good Times Pizza and Bar	\$1,500 – On-Sale; \$100 – Sunday Liquor
Starlite Bowling Center	\$1,500 – On-Sale; \$100 – Sunday Liquor
Elsie's Bar and Grill	\$1,500 – On-Sale; \$100 – Sunday Liquor
American Legion	\$300 – Club; \$100 – Sunday Liquor

Tobacco License Renewals

Quillin's	\$25
Kraus Oil	\$25
Kwik Trip	\$25.

All members present voted in favor and the motion was declared carried.

CLERK'S REPORT.

A. EMPLOYEE TIME RECORD. Attached with the agenda were the Employee Time Records for November 14, 2011 – November 27, 2011.

B. POLICE OFFICER ACTIVITY LIST. Attached with the agenda was the Police Officer Activity List for November 2011.

C. POOL PROJECT UPDATE. City Clerk/Administrator Feely shared that Crescendo Consulting, LLP, recently wrapped up interviews with interviewee participants. It was noted that Crescendo Consulting is currently working on preparing a report with their findings to be presented to the Community Pool Steering Committee and City Council sometime in mid-January.

CLOSED SESSION. The regular meeting was closed at 9:55 p.m. as permitted by Minnesota Statutes, section 13D.03, to discuss the City's labor negotiation strategy related to the City's negotiations with its Employee Association and its Police Association. The regular meeting was re-opened at 10:47 p.m.

ADJOURNMENT. A motion to adjourn was made by Mayor Burns, seconded by Member Fisch, at 10:48 p.m. All members present voted in favor and the motion was declared carried.

Jennifer Feely
City Clerk/Administrator

Robert H. Burns
Mayor